

Washington, D.C. - IMPORTANT UPDATE: In the face of staunch opposition to this bill from both Democrats and moderate Republicans, the Republican leadership made the highly unusual move of cancelling the vote on this bill late this afternoon. There is no word on when or if it may be rescheduled.

Washington -- In a conference call today, U.S. Reps. David Price (NC-04,) Bob Etheridge (NC-02), and Brad Miller (NC-13) assailed a Republican budget plan to cut over \$50 billion from Medicaid, Medicare, student loans, child-care support, and other initiatives critical to North Carolina.

"This budget is an example of misplaced priorities," said Etheridge. "Education is the key to a bright future in the 21st century, and without student loans many students will not be able to afford college. We should not be paying millions of dollars to build schools in Iraq and slashing billions of dollars for students here at home."

The U.S. House of Representatives is expected to vote today on H.R. 4241. Many Republicans argue that the bill is needed to offset spending from Hurricane Katrina. The bill is part of a reconciliation package that will include a \$70 billion tax loophole for wealthy Americans. Democrats are united in their opposition to the bill, and several Republicans remain opposed.

"This bill isn't really offsetting Katrina, nor is it reducing the deficit, as the Republicans claim," said Price. "Katrina did not create our current fiscal problems; it just laid them bare, just as it laid bare the sorry state of our disaster preparedness and the social and economic inequalities that persist throughout the country. The victims of Katrina deserve better than this bill, and so do the American people."

"The cuts to Medicaid will snip some of the last frayed strands of the safety net that President Reagan promised a generation ago would always be there for those who could not fend for themselves. This bill changes the values of our nation from the values of earlier generations," said Miller.

Etheridge, Price and Miller were joined by Jim Wallis, a Christian leader, founder of Sojourners

and a commentator on ethics and public life. Wallis called budgets moral documents, and expressed the opposition of the faith-based community to this budget.

Specifically, the cuts that will affect North Carolina are:

-- \$14.3 billion for student loans funding. 138,844 students in North Carolina receive student loans. The average student will pay \$5,800 more for college.

-- \$844 million to Food Stamps. 775,000 people in North Carolina put food on the table with the help of food stamps and North Carolina has the 4th highest hunger rate in the country.

-- \$4.96 billion in child support collections. North Carolina will lose \$106 million in federal child support contributions, causing North Carolina's custodial parents to lose \$169 million over five years in child support collections.

-- \$11.9 billion in federal matching payments to Medicaid. North Carolina would lose \$372 million.